

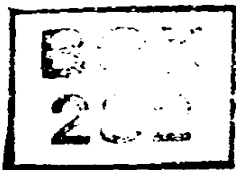
13-07-035-J ①

1992 JUL 21 AM 11:21

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WHEN RECORDED MAIL TO:

PARKWAY BANK & TRUST COMPANY
4800 N Harlem
Harwood Heights, IL 60656



SEND TAX NOTICES TO:

Parway Bank and Trust Company, not individually but as trustee w/n 9217
4800 N. Harlem Avenue
Harwood Heights, IL 60656

297

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

CONSTRUCTION MORTGAGE

THIS MORTGAGE IS DATED JULY 13, 1992, between Parkway Bank and Trust Company, not individually but as trustee w/n 9217, whose address is 4800 N. Harlem Avenue, Harwood Heights, IL (referred to below as "Grantor"); and PARKWAY BANK & TRUST COMPANY, whose address is 4800 N Harlem, Harwood Heights, IL 60656 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor not personally but as Trustee under the provisions of a deed or deeds in trust duly recorded and delivered to Grantor pursuant to a Trust Agreement dated October 11, 1990 and known as Parkway Bank Trust #9817, mortgages and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, located in Cook County, State of Illinois (the "Real Property"):

LOTS 21 TO 25 IN BLOCK 3 IN FREE'S ADDITION TO VILLAGE OF JEFFERSON, A SUBDIVISION OF PART OF THE SOUTH EAST 1/4 OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, SOUTH OF THE INDIAN BOUNDARY LINE IN COOK COUNTY, ILLINOIS.

The Real Property or its address is commonly known as 4848 N. Central Avenue, Chicago, IL 60630. The Real Property tax identification number is 13-08-428-025, 13-08-428-026, 13-08-428-027, 13-08-428-028 and 13-08-428-029.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

DEFINITIONS. The following words shall have the following meanings when used in this Mortgage. Terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

Borrower. The word "Borrower" means Northwest Builders Development, Inc.

Grantor. The word "Grantor" means Parkway Bank and Trust Company, Trustee under that certain Trust Agreement dated October 11, 1990 and known as Parkway Bank Trust #9817. The Grantor is the mortgagor under this Mortgage.

Guarantor. The word "Guarantor" means and includes without limitation, each and all of the guarantors, sureties, and accommodation parties in connection with the indebtedness.

Improvements. The word "Improvements" means and includes without limitation all existing and future improvements, fixtures, buildings, structures, mobile homes affixed on the Real Property, facilities, additions and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal and interest payable under the Note and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under this Mortgage, together with interest on such amounts as provided in this Mortgage. In addition to the Note, the word "Indebtedness" includes all obligations, debts and liabilities, plus interest thereon, of Borrower or any one or more of them, whether arising now or later, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, absolute or contingent, liquidated or unliquidated and whether Borrower may be liable individually or jointly with others, whether obligated as guarantor or otherwise, and whether recovery upon such indebtedness may be or hereafter may become barred by any statute of limitations, and whether such indebtedness may be or hereafter may become otherwise unenforceable.

Lender. The word "Lender" means PARKWAY BANK & TRUST COMPANY, its successors and assigns. The Lender is the mortgagee under this Mortgage.

Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender, and includes without limitation all assignments and security interest provisions relating to the Personal Property and Rents.

Note. The word "Note" means the promissory note or credit agreement dated July 13, 1992, in the original principal amount of \$3,700,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Note is a variable interest rate based upon an index. The index currently is 8.000% per annum. The interest rate to be applied to the unpaid principal balance of this Mortgage shall be at a rate equal to the index, resulting in an initial rate of 6.000% per annum. NOTICE: Under no circumstances shall the interest rate on this Mortgage be more than the maximum rate allowed by applicable law. NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the property, interests and rights described above in the "Grant of Mortgage" section.

Related Documents. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ALL OBLIGATIONS OF GRANTOR UNDER THIS MORTGAGE AND THE RELATED DOCUMENTS. THIS MORTGAGE IS INTENDED TO AND SHALL BE VALID AND HAVE PRIORITY OVER ALL SUBSEQUENT LIENS AND ENCUMBRANCES, INCLUDING STATUTORY LIENS, EXCEPTING SOLELY TAXES AND ASSESSMENTS LEVIED ON THE REAL PROPERTY, TO THE EXTENT OF THE MAXIMUM AMOUNT SECURED HEREBY. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

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GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that (a) this Mortgage is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power and right to enter into this Mortgage and to hypothecate the Property; (c) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (d) Lender has made no representation to Grantor as to Borrower (including without limitation the creditworthiness of Borrower).

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform as their respective obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor and Borrower agree that Grantor's possession and use of the Property shall be governed by the following provisions:

Passage and Use. Until in default, Grantor may remain in possession and control of and operate and manage the Property and collect the Rent from the Property.

Grantor shall maintain the Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Release, Waiver. Lender shall not cause, conduct or permit any insurance not contract, permit, or suffer any stopping of or waste on or to the Property or any part of the Property. Specifically without limitation, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (and drilling and gas), soil, gravel or rock products without the prior written consent of Lender.

Removal of Improvements. Grantor shall not demolish or remove any improvements from the Real Property without the prior written consent of Lender. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Lender's Right to Enter. Lender and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests as to respect the Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of governmental authorities applicable to the use or occupancy of the Property. Grantor may contact in good faith any such law, ordinance, or regulation, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as Lender's sole option, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as Lender's sole option, reasonably satisfactory to Lender, to protect Lender's interest.

Grantor to Post a Lien. Grantor shall post a lien or a security bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon nor leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

Grantor, without the Lender's prior written consent, or at or any part of the Real Property, or any interest in the Real Property. A sale or transfer of the Real Property, or any right, title or interest therein, whether legal or equitable; whether voluntarily or involuntarily; whether by deed, judgment, sale, or otherwise, shall not constitute a sale or transfer of the Real Property, or any right, title or interest therein, to any third party, or any other person, or any other method of conveyance of Real Property interest. Grantor shall also include any change in ownership of more than twenty-five percent (25%) of the voting stock of any corporation or partnership, as the case may be, of Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal, state or by local law.

TAXES AND LENS. The following provisions relating to taxes and liens on the Property are a part of this Mortgage.

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or made or furnished to the Property. Grantor shall maintain the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the release of the Property. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient security bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contract, Grantor shall defend itself and Lender and shall not be liable for any adverse judgment before enforcement against the Property. Grantor shall claim Lender as an additional obligee under any surety bond furnished in the contract proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender a satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Contention. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are applied to the Property, if any mechanic's lien, materialman's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such lien government.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with Lender extended coverage endorsement on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any contingencies clause, and with a standard mortgage clause in favor of Lender. Policies shall be procured by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing commitments clause, and with a standard mortgage clause in favor of Lender. Policies shall be procured by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing commitments clause, and with a standard mortgage clause in favor of Lender. Policies shall be procured by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing commitments clause, and with a standard mortgage clause in favor of Lender. Policies shall be procured by such insurance companies and in such form as may be reasonably acceptable to Lender.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, in its sole discretion, apply the proceeds of the insurance to the reconstruction, repair, or replacement of the Property, or the restoration and repair of the Property. Lender shall be entitled to apply the proceeds of the insurance to the reconstruction, repair, or replacement of the Property, or the restoration and repair of the Property. Lender shall be entitled to apply the proceeds of the insurance to the reconstruction, repair, or replacement of the Property, or the restoration and repair of the Property. Lender shall be entitled to apply the proceeds of the insurance to the reconstruction, repair, or replacement of the Property, or the restoration and repair of the Property.

Leasehold Insurance. Any unexpired insurance shall inure to the benefit of, and pass to, the purchaser of the Property covered by the Mortgage as if by business sale or other sale held under the provisions of this Mortgage, or at any foreclosure sale of such Property.

Grantor's Post-Sale Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (a) the name of the insurer; (b) the rate of premium; (c) the amount of the policy; (d) the expiration date of the policy; (e) the name of the agent; (f) the name of the broker; and (g) the name of the reinsurer. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

Grantor shall not fail to comply with any provision of this Mortgage, or if any action or proceeding is commenced that would materially affect Lender's interests in the Property. Lender on Grantor's behalf may, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, at Lender's option, will (a) be payable on demand, (b) be added to the balance of the Note and be amortized among and be payable with any installment payments to become due during the term of the Note, or (c) be added to the balance of the Note and be payable on demand. The right provided for in the paragraph shall be in addition to any other rights or remedies that Lender may have under the terms of this Mortgage. Any remedy that is otherwise available to Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

WARRANTY OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage.

Grantor warrants that (a) Grantor is the owner of the Property and has the full power and right to execute this Mortgage and to hypothecate the Property; (b) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (c) Lender has made no representation to Grantor as to Borrower (including without limitation the creditworthiness of Borrower).

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform as their respective obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor and Borrower agree that Grantor's possession and use of the Property shall be governed by the following provisions:

Passage and Use. Until in default, Grantor may remain in possession and control of and operate and manage the Property and collect the Rent from the Property.

Grantor shall maintain the Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Release, Waiver. Lender shall not cause, conduct or permit any insurance not contract, permit, or suffer any stopping of or waste on or to the Property or any part of the Property. Specifically without limitation, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (and drilling and gas), soil, gravel or rock products without the prior written consent of Lender.

Removal of Improvements. Grantor shall not demolish or remove any improvements from the Real Property without the prior written consent of Lender. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Lender's Right to Enter. Lender and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests as to respect the Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of governmental authorities applicable to the use or occupancy of the Property. Grantor may contact in good faith any such law, ordinance, or regulation, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as Lender's sole option, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as Lender's sole option, reasonably satisfactory to Lender, to protect Lender's interest.

Grantor to Post a Lien. Grantor shall post a lien or a security bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon nor leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

Grantor, without the Lender's prior written consent, or at or any part of the Real Property, or any interest in the Real Property. A sale or transfer of the Real Property, or any right, title or interest therein, whether legal or equitable; whether voluntarily or involuntarily; whether by deed, judgment, sale, or otherwise, shall not constitute a sale or transfer of the Real Property, or any right, title or interest therein, to any third party, or any other person, or any other method of conveyance of Real Property interest. Grantor shall also include any change in ownership of more than twenty-five percent (25%) of the voting stock of any corporation or partnership, as the case may be, of Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal, state or by local law.

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Leasehold Insurance. Any unexpired insurance shall inure to the benefit of, and pass to, the purchaser of the Property covered by the Mortgage as if by business sale or other sale held under the provisions of this Mortgage, or at any foreclosure sale of such Property.

Grantor's Post-Sale Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (a) the name of the insurer; (b) the rate of premium; (c) the amount of the policy; (d) the expiration date of the policy; (e) the name of the agent; (f) the name of the broker; and (g) the name of the reinsurer. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

Grantor shall not fail to comply with any provision of this Mortgage, or if any action or proceeding is commenced that would materially affect Lender's interests in the Property. Lender on Grantor's behalf may, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, at Lender's option, will (a) be payable on demand, (b) be added to the balance of the Note and be amortized among and be payable with any installment payments to become due during the term of the Note, or (c) be added to the balance of the Note and be payable on demand. The right provided for in the paragraph shall be in addition to any other rights or remedies that Lender may have under the terms of this Mortgage. Any remedy that is otherwise available to Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

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UNOFFICIAL COPY

THE. The following provisions relating to ownership of the Property are a part of this Mortgage.

Grantor warrants that (a) Grantor is the owner of the Property and has the full power and right to execute this Mortgage and to hypothecate the Property; (b) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (c) Lender has made no representation to Grantor as to Borrower (including without limitation the creditworthiness of Borrower).

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform as their respective obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor and Borrower agree that Grantor's possession and use of the Property shall be governed by the following provisions:

Passage and Use. Until in default, Grantor may remain in possession and control of and operate and manage the Property and collect the Rent from the Property.

Grantor shall maintain the Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Release, Waiver. Lender shall not cause, conduct or permit any insurance not contract, permit, or suffer any stopping of or waste on or to the Property or any part of the Property. Specifically without limitation, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (and drilling and gas), soil, gravel or rock products without the prior written consent of Lender.

Removal of Improvements. Grantor shall not demolish or remove any improvements from the Real Property without the prior written consent of Lender. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Lender's Right to Enter. Lender and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests as to respect the Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of governmental authorities applicable to the use or occupancy of the Property. Grantor may contact in good faith any such law, ordinance, or regulation, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as Lender's sole option, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as Lender's sole option, reasonably satisfactory to Lender, to protect Lender's interest.

Grantor to Post a Lien. Grantor shall post a lien or a security bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon nor leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

Grantor, without the Lender's prior written consent, or at or any part of the Real Property, or any interest in the Real Property. A sale or transfer of the Real Property, or any right, title or interest therein, whether legal or equitable; whether voluntarily or involuntarily; whether by deed, judgment, sale, or otherwise, shall not constitute a sale or transfer of the Real Property, or any right, title or interest therein, to any third party, or any other person, or any other method of conveyance of Real Property interest. Grantor shall also include any change in ownership of more than twenty-five percent (25%) of the voting stock of any corporation or partnership, as the case may be, of Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal, state or by local law.

this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

CONDEMNATION. The following provisions relating to condemnation of the Property are a part of this Mortgage.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees of Lender in connection with the condemnation.

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments as may be requested by it from time to time to permit such participation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (a) a specific tax upon this type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (b) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the indebtedness secured by this type of Mortgage; (c) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (d) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Borrower.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default (as defined below), and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (a) pays the tax before it becomes delinquent, or (b) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage.

Security Agreement. This instrument shall constitute a security agreement to the extent any of the Property constitutes fixtures or other personal property, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall execute financing statements and take whatever other action is requested by Lender to perfect and continue Lender's security interest in the Real and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall assemble the Personal Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code), are as stated on the first page of this Mortgage.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage.

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (a) the obligations of Grantor and Borrower under the Note, this Mortgage, and the Related Documents, and (b) the liens and security interests created by this Mortgage as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or agreed to the contrary by Lender in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or reasonable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Borrower pays all the indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Real and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

DEFAULT. Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Mortgage:

Default on Indebtedness. Failure of Borrower to make any payment when due on the indebtedness.

Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Mortgage, the Note or in any of the Related Documents. If such a failure is curable and if Grantor or Borrower has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured (and no Event of Default will have occurred) if Grantor or Borrower, after Lender sends written notice demanding cure of such failure: (a) cures the failure within fifteen (15) days; or (b) if the cure requires more than fifteen (15) days, immediately initiates steps sufficient to cure the failure and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

Breaches. Any warranty, representation or statement made or furnished to Lender by or on behalf of Grantor or Borrower under this Mortgage, the Note or the Related Documents is, or at the time made or furnished was, false in any material respect.

Insolvency. The insolvency of Grantor or Borrower, appointment of a receiver for any part of Grantor or Borrower's property, any assignment for the benefit of creditors, the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor or Borrower, or the dissolution or termination of Grantor or Borrower's existence as a going business (if Grantor or Borrower is a business). Except to the extent prohibited by federal law or Illinois law, the death of Grantor or Borrower (if Grantor or Borrower is an individual) also shall constitute an Event of Default under this Mortgage.

Foreclosure, etc. Commencement of foreclosure, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor against any of the Property. However, this subsection shall not apply in the event of a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the foreclosure, provided that Grantor gives Lender written notice of such claim and furnishes reserves or a surety bond for the claim satisfactory to Lender.

Breach of Other Agreement. Any breach by Grantor or Borrower under the terms of any other agreement between Grantor or Borrower and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor or Borrower to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor or any of the sureties or such Guarantor dies or becomes incompetent or any Guarantor revokes any guaranty of the indebtedness. Lender at its election may but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure the Event of Default.

07-13-1992

transactions. Whenever consent by Lender is required in this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required.

GRANTOR'S LIABILITY. This Mortgage is executed by Grantor, not personally but as Trustee as provided above in the exercise of the power and the authority conferred upon and vested in it as such Trustee (and Grantor thereby warrants that it possesses full power and authority to execute this instrument). It is expressly understood and agreed that with the exception of the foregoing warranty, notwithstanding anything to the contrary contained herein, that each and all of the warranties, indemnities, representations, covenants, undertakings, and agreements made in this Mortgage on the part of Grantor, while in form purporting to be the warranties, indemnities, representations, covenants, undertakings, and agreements of Grantor, are nevertheless each and every one of them made and intended not as personal warranties, indemnities, representations, covenants, undertakings, and agreements by Grantor or for the purpose or with the intention of binding Grantor personally, and nothing in this Mortgage or in the Note shall be construed as creating any liability on the part of Grantor personally to pay the Note or any interest that may accrue thereon, or any other indebtedness under this Mortgage, or to perform any covenant, undertaking, or agreement, either express or implied, contained in this Mortgage, all such liability, if any, being expressly waived by Lender and by every person now or hereafter claiming any right or security under this Mortgage, and that so far as Grantor and its successors personally are concerned, the legal holder or holders of the Note and the owner or owners of any indebtedness shall look solely to the Property for the payment of the Note and indebtedness, by the enforcement of the lien created by this Mortgage in the manner provided in the Note and herein or by action to enforce the personal liability of any Guarantor.

INTEREST RESERVE. IT IS UNDERSTOOD THAT THE LENDER WILL, AT THE TIME WHEN THE LOAN IS OPENED, DEDUCT FROM THE PROCEEDS OF THE LOAN AND DEPOSIT IN THE LOAN RESERVE ACCOUNT, THE SUM OF MONEY EQUAL TO THE INTEREST DUE FOR ONE MONTH ON THE ENTIRE AMOUNT OF THE LOAN.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

Parkway Bank and Trust Company, not individually but as trustee w/n 9817

By: Rosanne DuPass
Rosanne DuPass, Asst. Vice President, Trust Officer

By: [Signature]
X, Authorized Signer

The Trustee in executing this document SPECIFICALLY EXCLUDES paragraph 3.03 of this document as though it did not exist thereon relative to the Trustee's action on hereof and SPECIFICALLY EXCLUDES all references to any environmental condition of the premises whether under the ILLINOIS ENVIRONMENTAL PROTECTION ACT or otherwise. The Beneficiary of this Trust, as management and control of the premises and as such, has the authority on its own behalf to execute as environmental representative but not as agent for or on behalf of the Trustee.

PARKWAY BANK AND TRUST COMPANY, as Trustee.

ATTEST:

[Signature]
Secretary / or Assistant Secretary

*** NUISANCE TO STATE PARAGRAPH ON PAGE 2 IN ITS (Corporate Seal) ENTIRETY.

This Mortgage prepared by: X

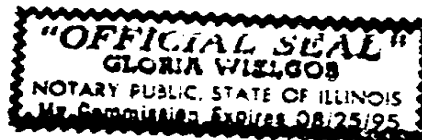
[Signature]
Lea M. Kovzalski

CORPORATE ACKNOWLEDGMENT

STATE OF ILLINOIS)
COUNTY OF COOK) SS

On this 30th day of July, 1992, before me, the undersigned Notary Public, personally appeared Rosanne DuPass and X Asst. Vice President, Trust Officer of Parkway Bank and Trust Company, not individually but as trustee w/n 9817, and known to me to be authorized agents of the corporation that executed the Mortgage and acknowledged the Mortgage to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Mortgage and in fact executed the Mortgage on behalf of the corporation.

By [Signature] Residing at [Address]
Notary Public in and for the State of Ill. My commission expires 08/25/95



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